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August 10, 2010

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Application of South Carolina Electric & Gas Company ("SCE&G" or "the Company")
for Approval to Revise Rates under the Base Load Review Act ("the Application")
Docket No. 2010-157-E

Dear Jocelyn,

The following contingency cost information is pursuant to South Carolina Supreme Court Opinion No. 26856 filed August 9, 2010. In Public Service Commission of South Carolina Docket No. 2010-157-E, \$2,277,000 of contingency costs were included in construction work in progress ("CWIP") with a correlating revenue impact of \$270,000. The removal of these dollars from the South Carolina Office of Regulatory Staff's ("ORS's") Report on SCE&G's Annual Request for Revised Rates would reduce incremental CWIP as of June 30, 2010 to \$399,146,000. The "allocated retail revenue increase" or revenue impact would be reduced to \$47,301,000. Please find Revised ORS Attachment-1 and Attachment-3 showing these reductions. No revisions are needed for ORS Attachment-2 or ORS Attachment-4.

Lastly, this docket is SCE&G's second request for revised rates under the Base Load Review Act. In SCE&G's first request for revised rates in Docket No. 2009-211-E, there were no contingency costs identified as having been spent by the Company.

Sincerely,

Shannon Bowyer Hudson

Enclosures

cc: K. Chad Burgess, Esquire

REVISED ORS ATTACHMENT - 1

South Carolina Office of Regulatory Staff
Base Load Review Act - 2010 Revised Rates Filing Revenue Requirement
VCSNS Units 2 & 3 Construction Work In Progress (CWIP) through June 2010 with Contingency Costs Removed
Docket No. 2010-157-E
(\$ in Thousands)

	SCE&G Revised Rates Filing (A)	ORS Examination				Carry Over to 2010-11 (E) (B - C)
		Actual (B)	Allowable (C)	Difference (D) (A - B)		
CWIP in Rates as of June 30, 2009 (per SC PSC Order No. 2009-696)	\$ 264,325	\$ 264,325	\$ 264,325	\$ -	\$ -	
Incremental Actual Additions to CWIP through March 31, 2010 - See Note 1	277,449	277,444	\$ 277,444	5	-	
Incremental AFUDC through March 31, 2010	9,330	9,330	\$ 9,330	-	-	
Incremental Additions to CWIP April 1 through June 30, 2010	168,288	110,406	\$ 110,406	57,882	-	
Incremental AFUDC April 1 through June 30, 2010	6,836	4,243	\$ 4,243	2,593	-	
CWIP as of June 30, 2010	\$ 726,228	\$ 665,748	\$ 665,748	\$ 60,480	\$ -	
Removal of Contingency Costs		\$ (2,277)	\$ (2,277)	\$ 2,277		
Incremental CWIP	\$ 461,903	\$ 399,146	\$ 399,146	\$ 62,757	\$ -	
Gross Cost of Capital	12.28%		12.32%			
Incremental Revenue Requirement	\$ 56,722		\$ 49,175			
Allocation Factor for Retail Operation	96.19%		96.19%			
Allocated Retail Revenue Increase	\$ 54,561		\$ 47,301			

Note 1 - Incremental CWIP through March 31, 2010 includes \$8,650,000 carried over from the 2009 Annual Request for Revised Rates.

REVISED ORS ATTACHMENT - 3

**South Carolina Office of Regulatory Staff
Base Load Review Act - 2010 Revised Rates Filing Revenue Requirement
For South Carolina Electric & Gas Company**

RATE CLASS	Order No. 2010-471 Effective July 16, 2010		ORS Revised Rates		Incremental	Incremental
	Annual Revenue	Adjusted	Annual Revenue	Change	Change	%
	(A)	(B)		(C)=(A-B)	(D)=(C/A)	
RESIDENTIAL	\$ 937,984,010	\$ 960,372,010	\$ 22,388,000	2.39%		
SMALL GENERAL SERVICE	\$ 363,005,278	\$ 371,415,278	\$ 8,410,000	2.32%		
MEDIUM GENERAL SERVICE	\$ 228,578,095	\$ 233,970,095	\$ 5,392,000	2.36%		
LARGE GENERAL SERVICE	\$ 519,377,668	\$ 530,488,668	\$ 11,111,000	2.14%		
RETAIL TOTAL (EXCLUDING LIGHTING)	\$ 2,048,945,051	\$ 2,096,246,051	\$ 47,301,000	2.31%		